

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6529

BILL NUMBER: SB 158

NOTE PREPARED: Dec 20, 2010

BILL AMENDED:

SUBJECT: Local Income Tax Reports.

FIRST AUTHOR: Sen. Banks

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Budget Agency to submit a monthly report to each county auditor indicating: (1) the balances in the County's Adjusted Gross Income Tax (CAGIT) account, County Option Income Tax (COIT) account, and County Economic Development Income Tax (CEDIT) account during the previous month; (2) the amount of revenue deposited in and distributed from those accounts during the previous month; and (3) the income earned during the previous month on money held in those accounts. It requires the Budget Agency to submit a quarterly report to each county auditor indicating the amount of CAGIT, COIT, and CEDIT tax withholdings attributable to the county, as reported to the Department of State Revenue during the previous quarter.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *State Budget Agency:* The requirements of this bill will increase the workload of the State Budget Agency staff. The bill requires the State Budget Agency to report on CAGIT, COIT, and CEDIT account balances, revenue deposited and distributed from the accounts, and interest income earned on a monthly basis to county auditors. In addition, the bill requires that a quarterly report on CAGIT, COIT, and CEDIT tax withholdings be submitted to county auditors.

Currently, the State Budget Agency provides an annual report to county auditors concerning the balance in each county's CAGIT, COIT, and CEDIT account. Also, the State Budget Agency provides several local option income tax resources on their website for informational purposes. The reports required by this bill could be provided on the agency's website with other local option income tax reports.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Budget Agency.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Jessica Harmon, 317-232-9854.